

02 March 2005



# Iraq Weekly Status Report

UNCLASSIFIED



# Table of Contents

## SECTION

## SLIDE(S)

### Highlights

3

### 1.0 Neutralize the Insurgents

5

### 2.0 Ensure the Continuation of Support for Iraq's Electoral Process through 2005

6

### 3.0 Create Jobs and Provide Essential Services

9

### 4.0 Establish Foundations for a Strong Economy

15

### 5.0 Establish Good Governance, Rule of Law

22

### 6.0 Maintain International Engagement & Support

26

### General Information

28



# Highlights

## 1.0 Neutralize the Insurgents

- Iraq and Coalition forces continue operations to neutralize the insurgents.

## 2.0 Ensure the Continuation of Support for Iraq's Electoral Process through 2005

- Iraqis continue negotiations on forming the new Iraqi Transitional Government (ITG).

## 3.0 Create Jobs and Provide Essential Services

- Construction is underway on 93 new primary health care (PHC) facilities across Iraq. A total of ten projects have passed the 25 percent completion mark.
- The total number of schools under rehabilitation is 1,038. To date, 2,633 schools have been rehabilitated.



# Highlights

## 4.0 Establish Foundations for a Strong Economy

- The Board of Directors of the Iraqi Central Bank announced a decision to begin accepting foreign currency deposits on March 1. The Board also decided to include government deposits held by banks as a percentage of the legal reserve that is applied to deposits of other kinds beginning on April 1.

## 5.0 Establish Good Governance, Rule of Law

- Under its partnership with the UN High Commissioner for Refugees (UNHCR), the UN Office for Project Services (UNOPS) concluded four memoranda of agreements (MoAs) with providers of vocational trainings in the three Northern Governorates. The training contributes to IDP reintegration by targeting returnees and vulnerable members of the receiving communities.
- The first five high-value detainees were referred to the trial chamber of the Iraqi Special Tribunal (IST) on February 28 to face charges related to the 1982 massacre and destruction of the town of Ad-Dujayl.

## 6.0 Maintain International Engagement and Support

- Georgia sent 558 additional troops to Iraq on March 1 for a six-month deployment. Working with US forces, the Georgian unit will guard the UN office in Baghdad among other tasks.



## [1.0] Neutralize the Insurgents – Iraqi Security Forces Update

### Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	55,274
HIGHWAY PATROL	
OTHER MOI FORCES	26,798
TOTAL	82,072*

### Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	58,992
AIR FORCE	186
NAVY	517
TOTAL	59,689**

### Total Trained & Equipped ISF:

# 141,761

\* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

\*\* Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers



## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Developments**

### ITG Formation:

- Transitional National Assembly members-elect and political parties continue consultations and negotiations regarding the formation of the Iraqi Transitional Government (ITG).
- The United Iraqi Alliance has announced Iraqi Interim Government Vice President and D'awa party leader Ibrahim al-Jafari as its nominee for Prime Minister.



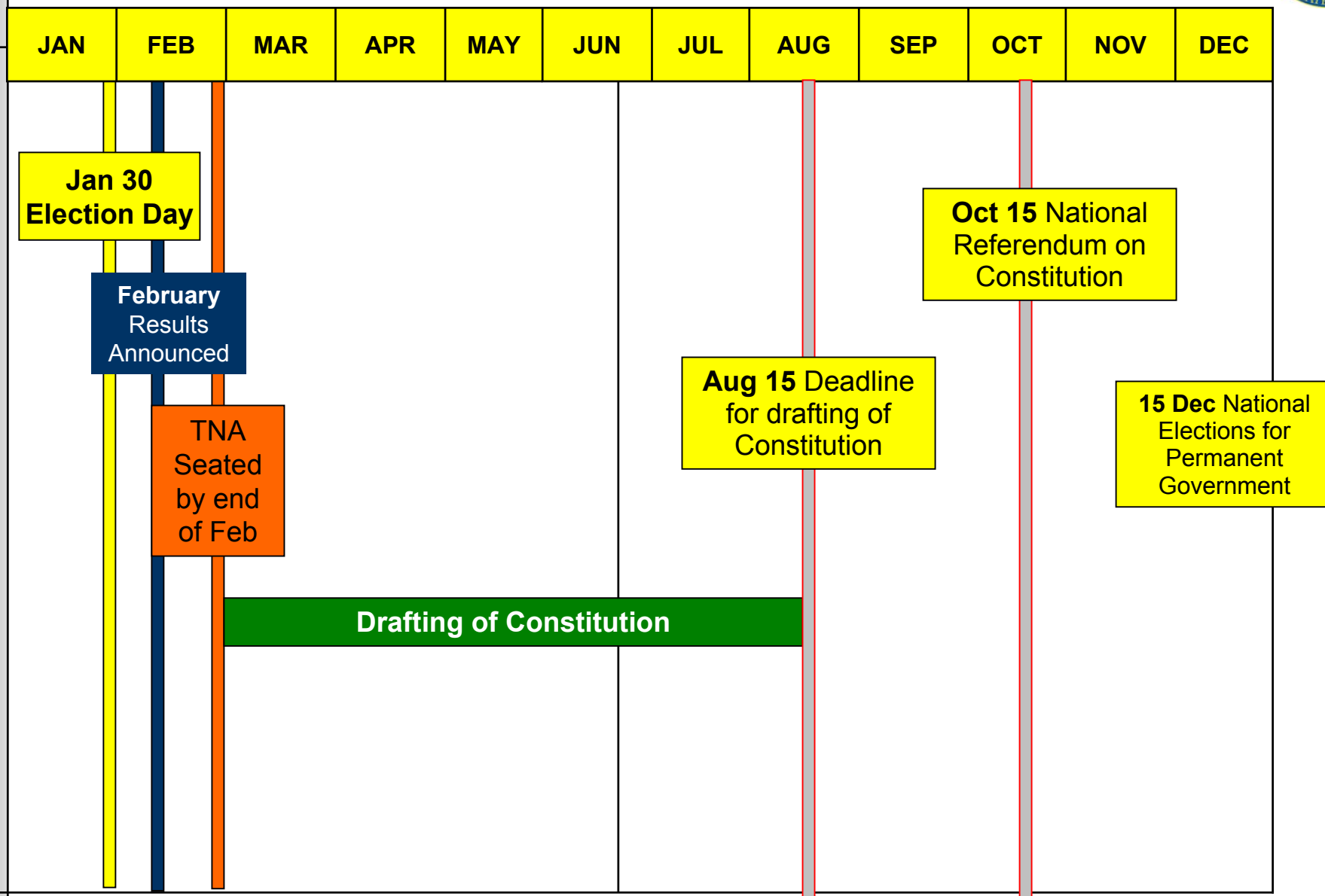
## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Developments**

### Transitional National Assembly (TNA):

- The TNA will:
  - Serve as Iraq's national legislature until the election of a new government under a permanent constitution.
  - Approve a Presidency Council, consisting of a president and two deputy presidents, by a two-thirds vote. The Presidency Council will then appoint a Prime Minister. The Prime Minister and his Council of Ministers must receive a vote of confidence in the Assembly by a simple majority.
  - According to the Transitional Administrative Law, the TNA is to draft Iraq's new Constitution by August 15, 2005; this will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.
  - If it is approved, an election for a permanent Iraqi government under that new Constitution will occur by the end of 2005.



## [2.0] Ensure the Continuation of Support for Iraq's Electoral Process through 2005 – **Electoral Process Timeline**

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### [3.0] Create Jobs and Provide Essential Services – **Economy**

#### Oil Update:

- Crude oil prices in world markets for the week ending February 25 closed with Kirkuk Crude at \$42.39/barrel, Basra Light at \$40.42/barrel, and the OPEC basket at \$44.57/barrel.

#### Employment Update:

- Number of Iraqis employed by USG-administered projects in each sector

Employing Organization	Iraqis Last Week	Iraqis This Week	% Change on Week
PCO (Project and Contracting Office)	22,715	23,647	4.1%
USAID	58,053	72,096	24.2%
AIRP (Accelerated Iraqi Reconstruction Program)	5,152	5,100	-1.0%
MILCON (Military Construction)	863	872	1.0%
*CERP (Commanders' Emergency Response Program)	33,671	33,671	0.0%
MNSTC-I	12,612	12,764	1.2%
IRRF NON-CONSTRUCTION	13,328	13,707	2.8%
<b>GRAND TOTAL</b>	<b>146,394</b>	<b>161,857</b>	<b>10.6%</b>

\*CERP numbers are from the latest GRD Sitrep

\*\*USAID increase attributed to new OTI grants



### [3.0] Create Jobs and Provide Essential Services – **Health Care and Food Security**

#### Health Care:

- Construction is underway on 93 new primary health care (PHC) facilities across Iraq. Under the Accelerated Iraq Reconstruction Program (AIRP), an additional six PHCs are under construction and three have been completed. A total of ten projects have passed the 25 percent completion mark.
- There are currently 19 hospitals under renovation.
- USAID is instituting a Ministry of Health (MoH) Training Program to provide training for administrative staff and clinical specialists in the 150 healthcare centers in Iraq. The program will also provide technical assistance for key areas in the MoH. The program is expected to begin later this spring.
- USAID's MoH Capacity Building Program (Health II) will introduce up-to-date information to enhance MoH capabilities in improving the quality of healthcare services, health policies, and strategies. Performance is expected to begin in April/May 2005.

#### Public Distribution System (PDS):

- For February, Iraq is projected to receive 100 percent of the monthly requirement for wheat and 81 percent of the requirement for rice, contingent upon on-time arrivals and distribution.



### [3.0] Create Jobs and Provide Essential Services—Education

#### Education:

- To date, 2,633 schools have been rehabilitated and 1,032 total schools are currently undergoing rehabilitation.
  - USAID has completed 2,405 school renovations to date, with an additional 573 under construction.
  - PCO has completed 202 school renovations to date, and an additional 444 are under construction. PCO has scheduled 800 schools for completion by mid-2005.
  - Under the Accelerated Iraq Reconstruction Program (AIRP program), there are an additional 13 school renovations underway and 26 have been completed.
- USAID's Higher Education and Development (HEAD) program has provided training opportunities for more than 1,000 Iraqi faculty and students, awarded more than 75 mini-grants, and supported a dozen graduate students in full-time study abroad. Recent training activities have included:
  - 35 Iraqi medical and engineering faculty and 32 university students attended workshops in northern Iraq on topics including medical journal writing, surface water analysis and environmental management.
  - 16 agricultural science faculty from two northern Iraqi universities completed a one-week workshop on statistics and experimental design.



### [3.0] Create Jobs and Provide Essential Services – **Water and Sanitation and Telecommunications**

#### Water and Sanitation:

- Construction started on a water distribution network in the Kut District, Wassit Governorate. This project will provide additional pipelines and repair existing pipelines throughout the distribution networks. Local contractors, suppliers, craftsmen and laborers in these areas will be used to maximize rapid employment opportunities for local Iraqi men and women. Construction is scheduled to be complete in August 2005.
- The PCO Small Water System Rehabilitation is underway and includes multiple small potable water projects awarded to local contractors and local water authorities throughout Iraq.
  - Fifty-three projects have been awarded and 21 have started construction.

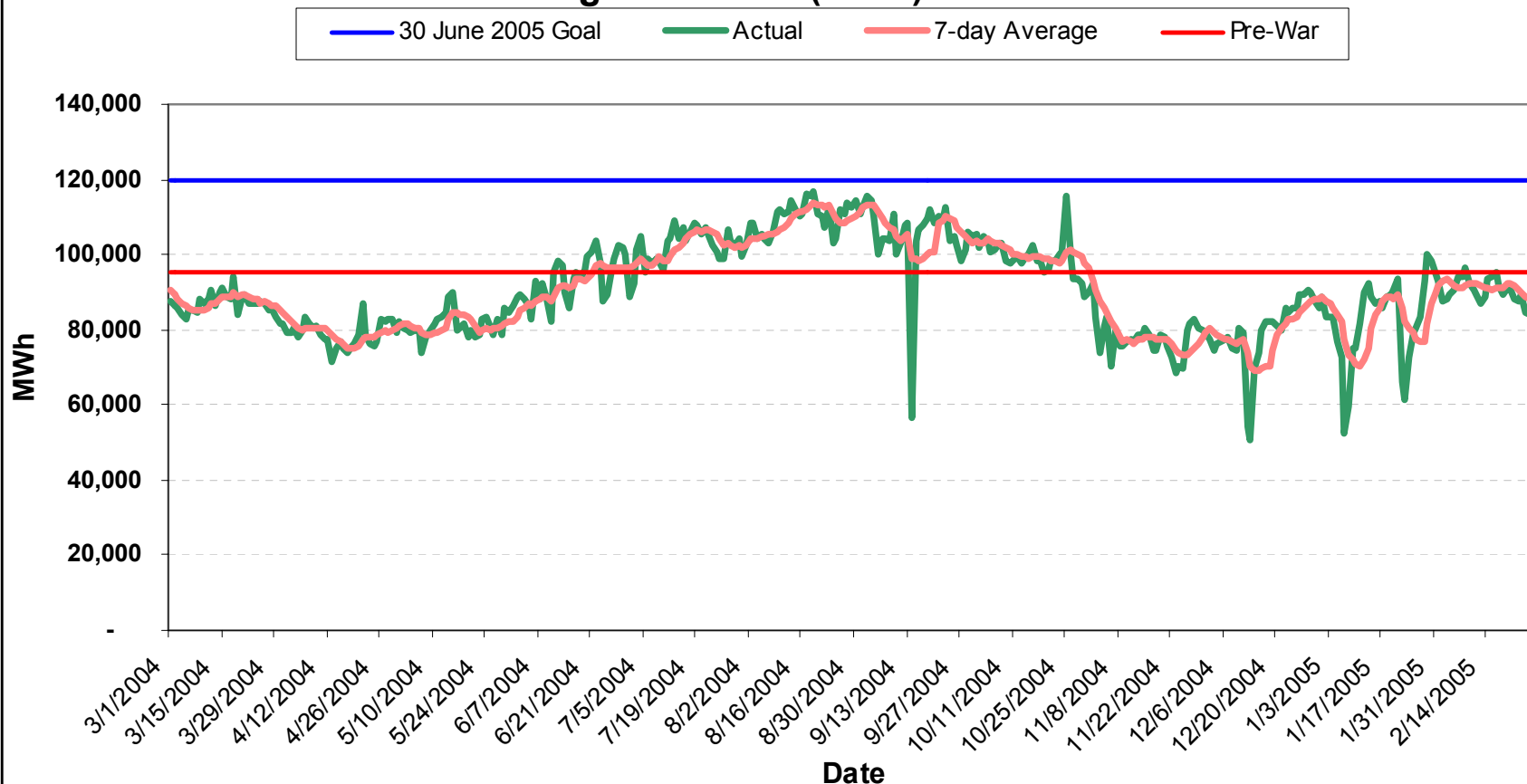
#### Telecommunications:

- Advanced First Responder Network (AFRN) is on-track for the scheduled June 30 completion date. All base stations are online in Baghdad, and an additional 50 base stations will be constructed to service 15 other cities.
- The number of telephone landline subscribers throughout Iraq is 982,561 and the number of cell phone subscribers is 1,659,638. This combined total of 2,642,199 is 214 percent greater than the number of active landline subscribers before the war.



### [3.0] Create Jobs and Provide Essential Services – Electricity Overview

#### Megawatt-Hour (MWh) Load Served

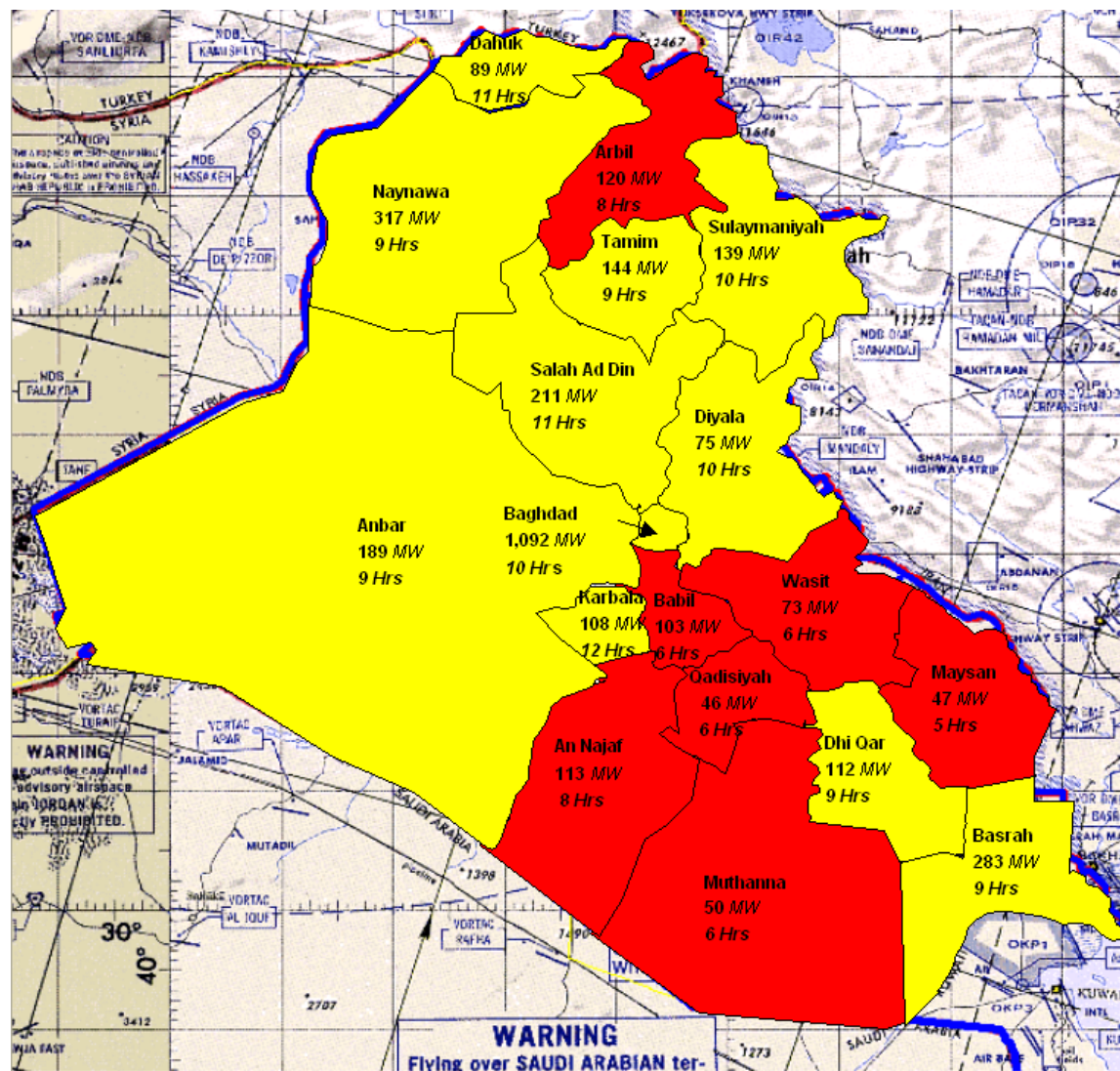


- Electricity load served in the last week (February 21-27) averaged 81,500 MWh. Hours of available power averaged 9.3 hours in Baghdad.
- Peak demand has decreased significantly with more moderate seasonal temperatures.
- Unplanned outages have increased, driven primarily by fuel shortages. At the end of the week, unplanned and planned outages were 1023 MW and 726 MW, respectively.





### [3.0] Create Jobs and Provide Essential Services – Hours of Power



Average hours of Electrical Service provided over a 7 Day Period

≤ 8 Hrs = Red	
9 to 15 Hrs = Amber	
≥ 16 Hrs = Green	
No Report = White	

Percent Change in MW over a 7 Day Period

Baghdad	-8
Dahuk	-17
Naynawa	1
Arbil	2
Sulaymaniyah	4
Tamim	3
Salah Ad Din	-4
Anbar	-5
Diyala	4
Babil	16
Karbala	11
Najaf	15
Qadisiyah	FLAT
Wasit	14
Muthanna	FLAT
Dhi Qar	-3
Maysan	7
Basrah	-8

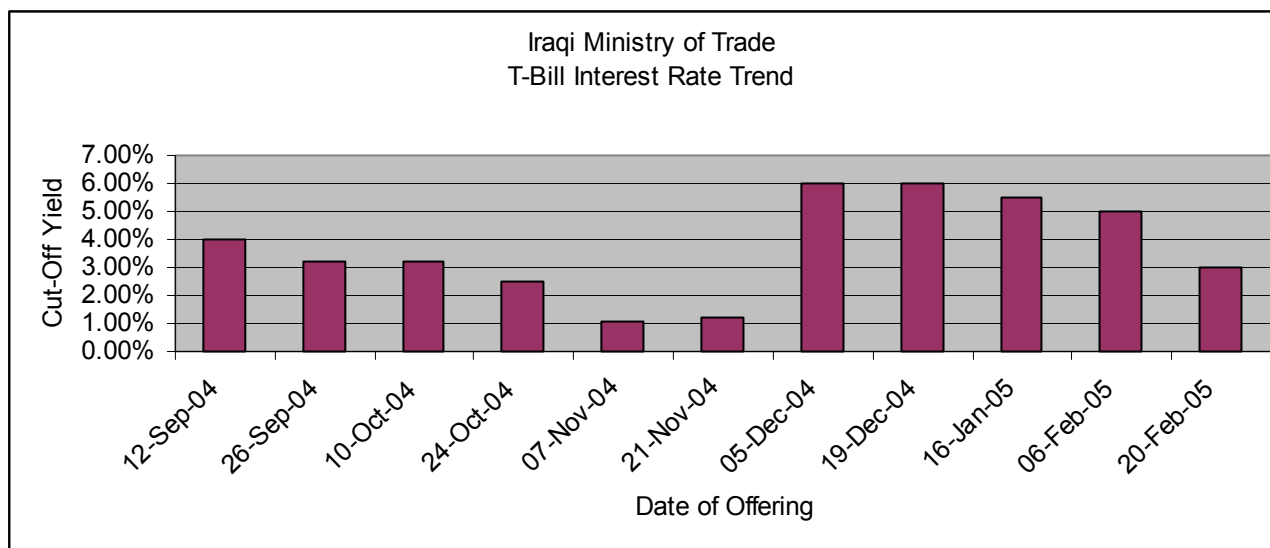
Average Hours of Power all over the Country is about 8.5 Hours per Day



## [4.0] Establish Foundations for a Strong Economy

- The following shows the previous 11 Ministry of Finance T-bill auctions and the trend in T-bill interest rate offerings:

No.of Auction	Date of Auction	Amount of Issue	Term of security (in days)	Maturity Date	Number Competitive Bidders	Winning Bidders	Total Valid Competitive Bids	Total Competitive Awarded	Cover Ratio %	Bid Range yields	Cut off yield
5	9/12/2004	150.020	91	12/13/2004	7	5	228.250	147.520	154.72	2.00% - 7.20%	4.00%
6	9/26/2004	150.000	91	12/27/2004	7	5	316.250	146.500	215.87	1.50% - 5.00%	3.20%
7	10/10/2004	150.020	91	1/10/2005	8	6	289.750	145.270	199.46	2.00% - 5.40%	3.20%
8	10/24/2004	150.030	91	1/24/2005	10	6	350.000	145.030	241.33	1.00% - 5.40%	2.50%
9	11/7/2004	150.010	91	2/7/2005	12	7	437.100	145.510	300.39	1.00% - 3.30%	1.10%
10	11/21/2004	150.010	91	2/20/2005	6	6	281.250	147.010	191.31	1.00% - 5.00%	1.20%
11	12/5/2004	124.550	91	3/7/2005	4	4	122.800	122.800	100.00	2.50% - 6.00%	6.00%
12	12/19/2004	200.030	91	3/21/2005	12	12	282.300	196.730	143.50	2.50%-10.00%	6.00%
13	1/16/2005	100.030	91	4/18/2005	11	9	127.000	97.530	130.22	3.00% - 6.80%	5.50%
14	2/6/2005	100.040	91	5/9/2005	11	7	137.400	96.940	141.74	3.00%-7.00%	5.00%
16	2/20/2005	150.020	91	5/23/2005	10	4	253.000	145.520	173.86	3.00 %- 7.00%	3.00%





## [4.0] Establish Foundations for a Strong Economy

### Iraqi Inflation Figures for 2004:

- July 2004: 0.6%
- August 2004: 3.6%
- September 2004: 5.4%
- October 2004: 8.5%
- November 2004: 5.4%
- December 2004: 3.3%

### Iraq Currency Exchange:

- At the New Iraqi Dinar (NID) auction on February 28, the settlement price was 1,460 dinars per USD with a total of 12 banks trading. The following table shows the purchase value of the top five banks:

Bank Name	Quantity Sold (in thousands of dollars)	Percentage of Total Auction
Al-Warkaa Bank	6,000	24.91%
United Bank	4,800	19.93%
Al-Rasheed	2,500	10.38%
Iraq Bank	2,470	10.26%
Islamic Bank	2,100	8.72%
<b>Total</b>	<b>17,870</b>	<b>74.20%</b>

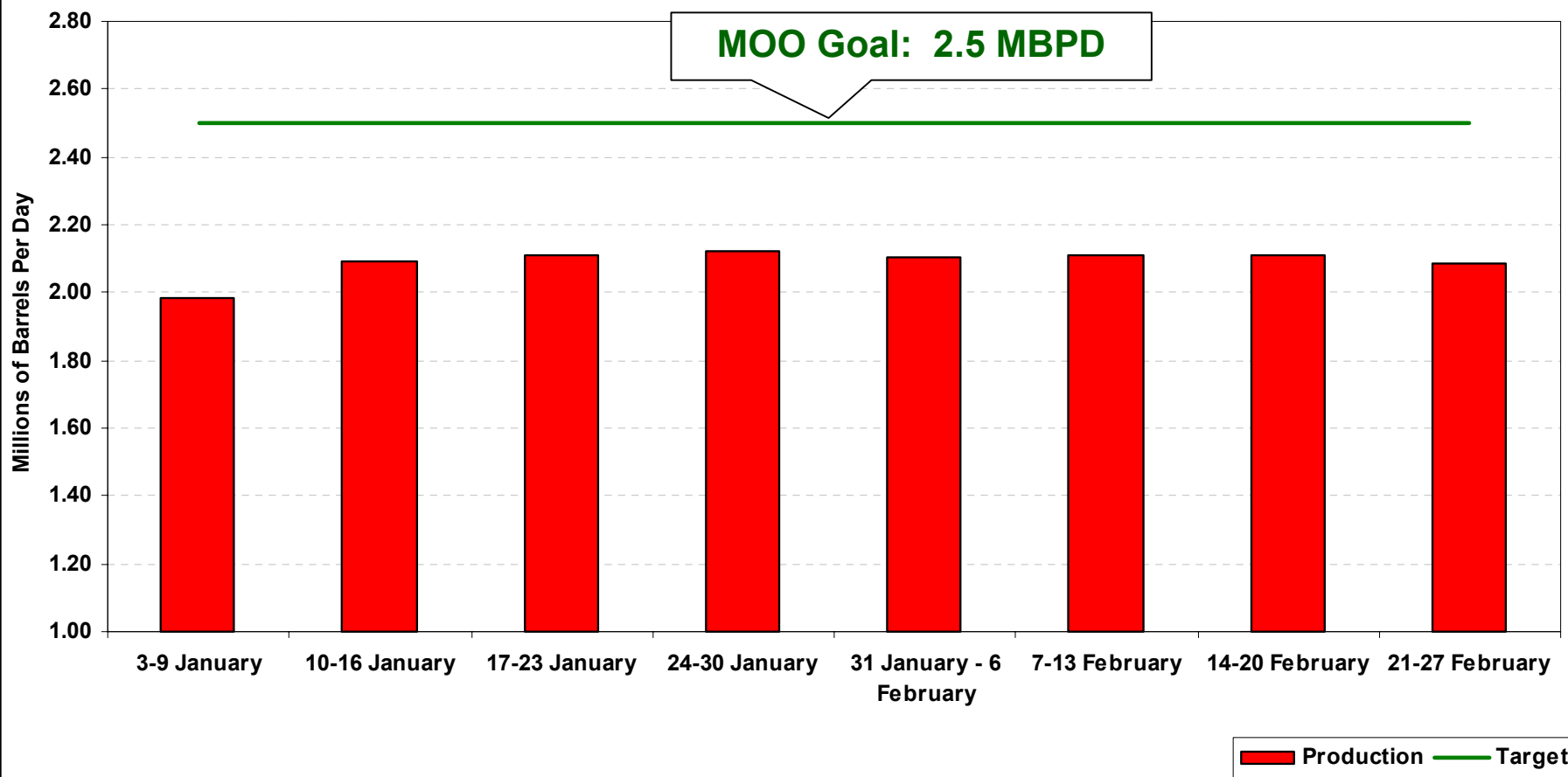
### Iraqi Stock Exchange:

- On February 28, the Iraqi Stock Exchange (ISX) traded a total of 561,575,540 shares with a value of ID 2,594,063,902 (\$1,776,756) in 544 trades.
  - The most active trading was in the Banking Sector with a total of seven banks trading 506,519,618 shares, for a total value of ID 2,253,087,868 (\$1,543,211).
  - The second most active trading was in the Industrial Sector with a total of 15 companies trading 31,684,980 shares for a total value of ID 183,281,685 (\$125,535).





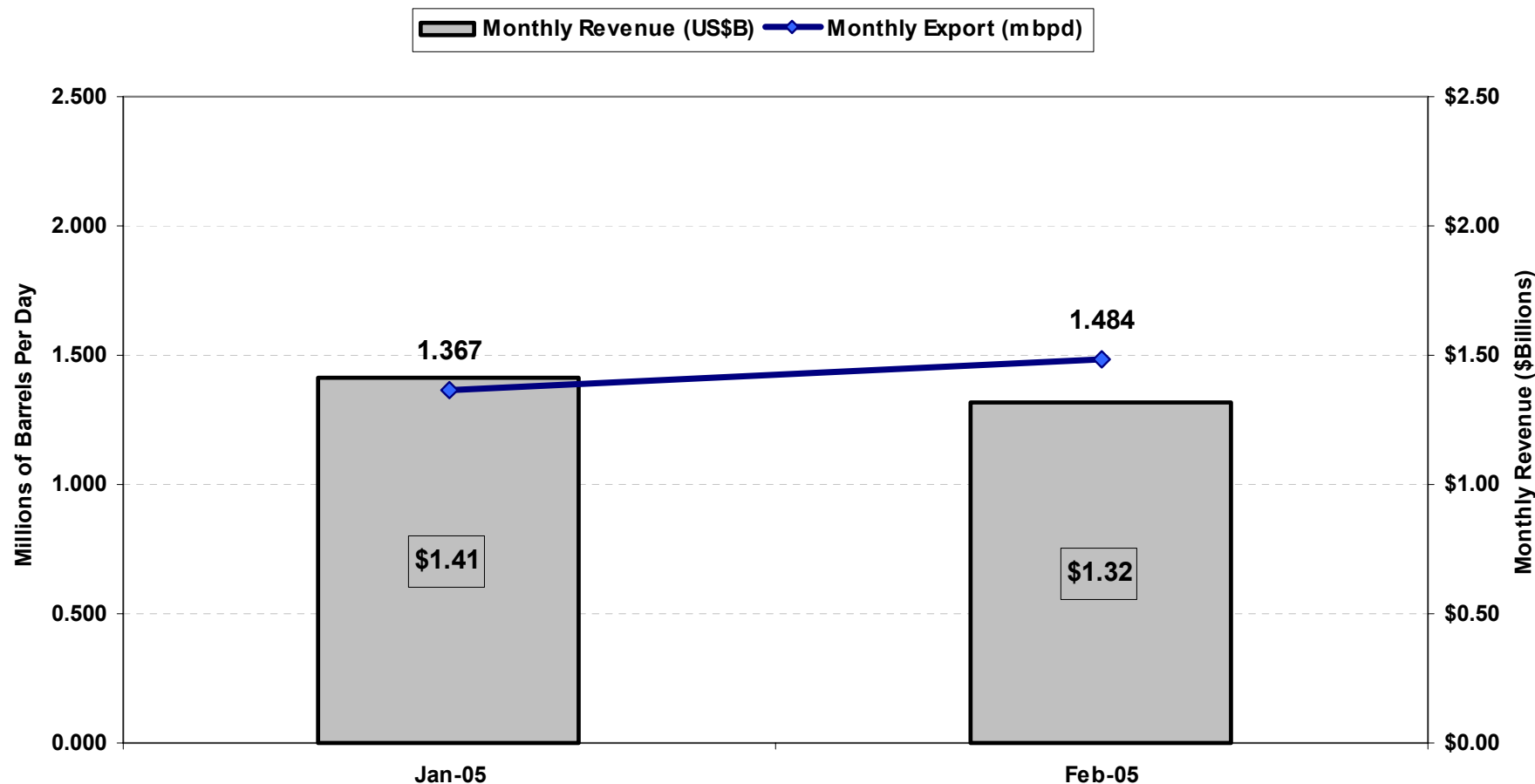
## [4.0] Establish Foundations for a Strong Economy – Crude Oil Production



- Weekly Average (February 20-27) of 2.08 MBPD
- Pre-War Peak: 2.5 MBPD in Mar 2003
- Post-War Peak: 2.67 MBPD



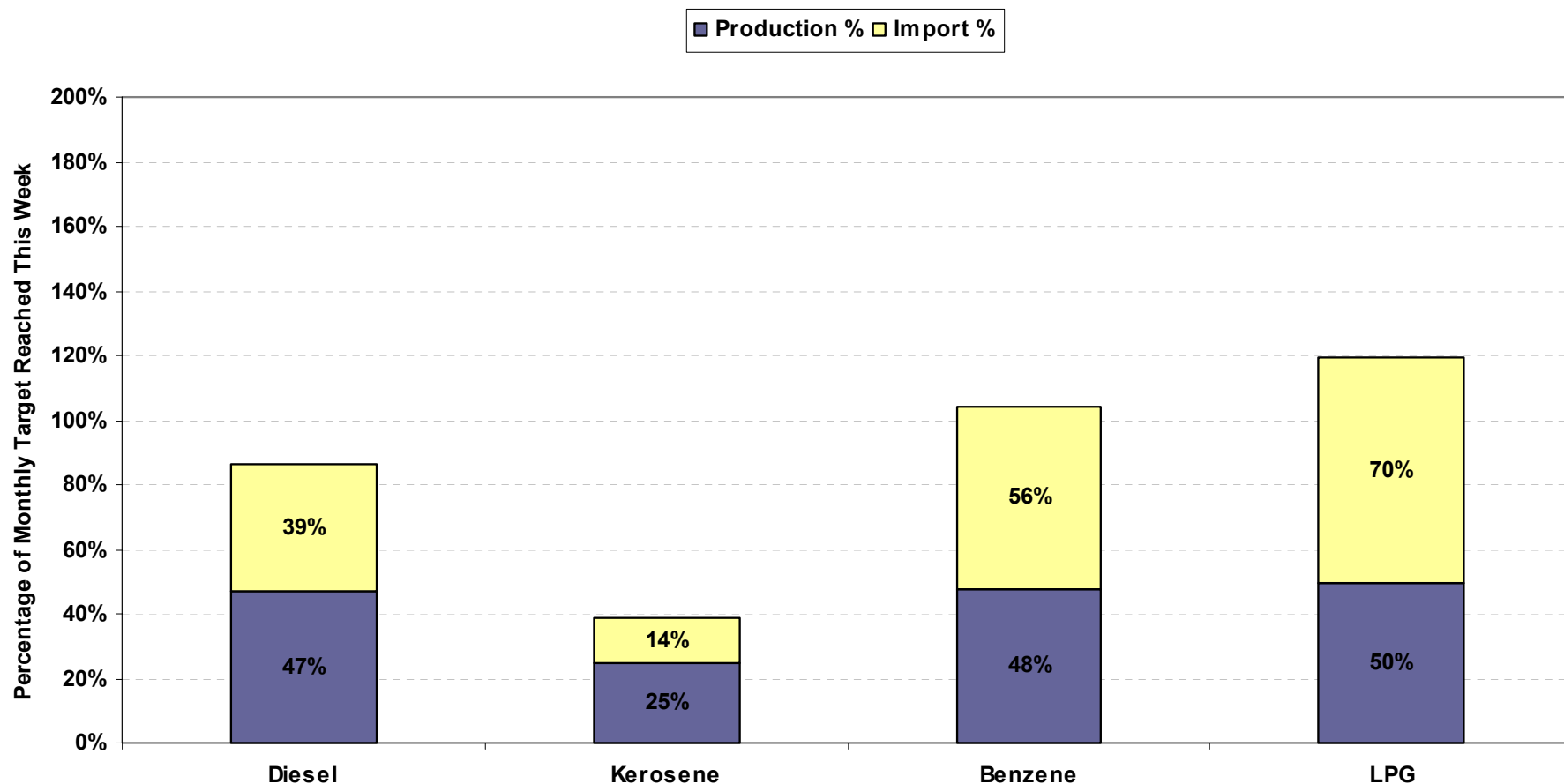
## [4.0] Establish Foundations for a Strong Economy – Crude Oil Export



- 2003 Revenue: \$5,076.6M
- 2004 Revenue: \$17,012.3M
- 2005 Revenue: \$2,730.0M (to date)



## [4.0] Establish Foundations for a Strong Economy – Refined Products

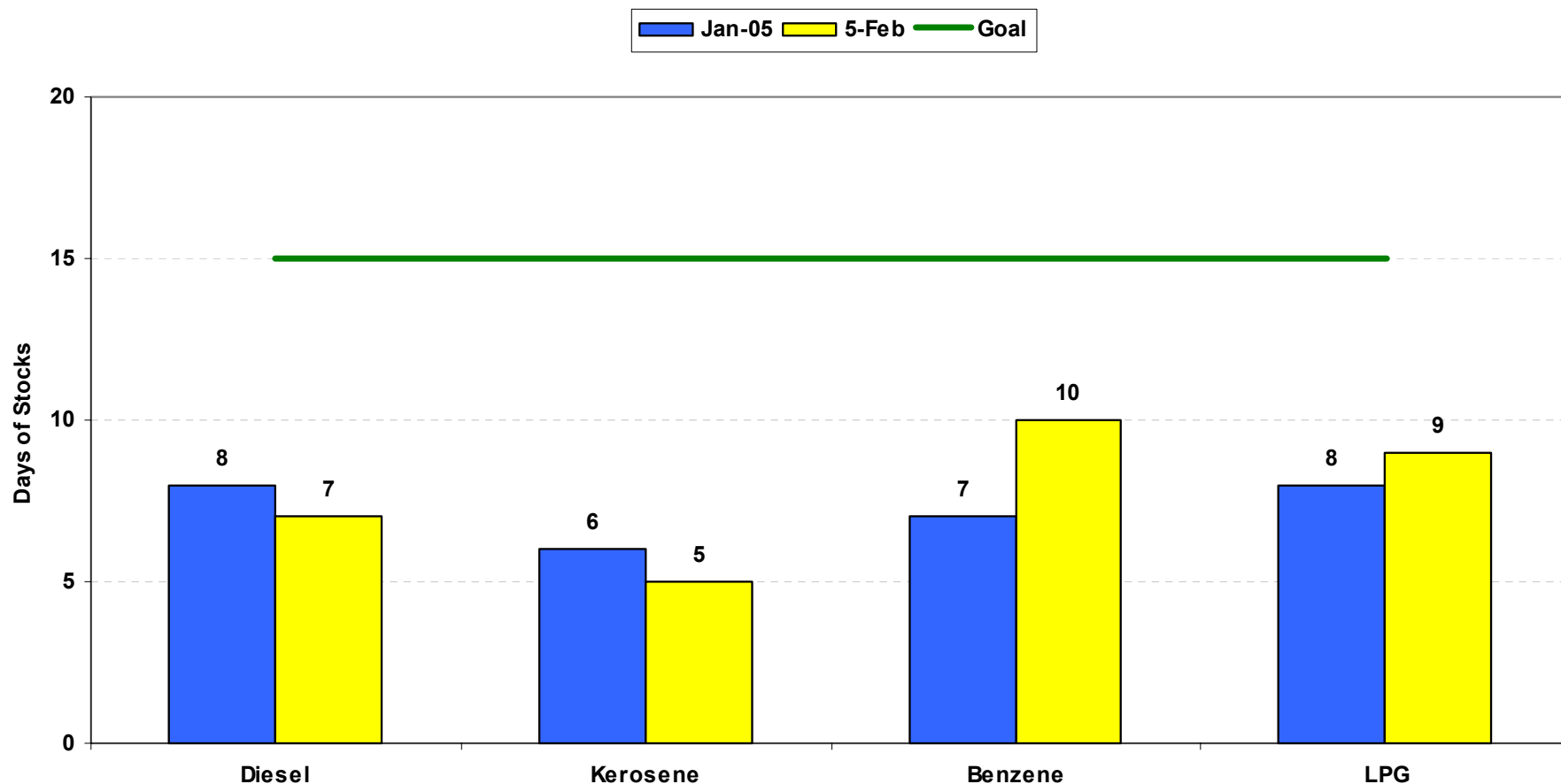


Note: This chart represents the average percentage of daily target reached for the week of February 20-27

- Diesel: 15.1 ML of 17.5 ML
- Kerosene: 7.6 ML of 19.5 ML
- Benzene: 18.7 ML of 18 ML
- LPG: 5,120 tons of 4,300 tons



## [4.0] Establish Foundations for a Strong Economy – National Stock Levels



- The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.



# [4.0] Establish Foundations for a Strong Economy – IRRF I & II Financials

Financial Status-IRRF I & II			Committed		Obligated		Disbursed	
Sector	2207 Report	Apportion	Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	5045	5045	4590	4549	3532	3573	1507	1524
Electricity Sector	4369	4077	3525	3669	2749	2756	813	830
Oil Infrastructure	1701	1701	1432	1492	929	936	147	157
Justice, Public Safety, and Civil Society	1120	1120	970	978	690	702	170	177
Democracy	832	832	751	751	661	661	217	221
Education, Refugees, Human Rights, Governance	379	379	252	253	226	227	61	62
Roads, Bridges, and Construction	359	355	340	343	185	190	41	48
Health Care	786	786	668	685	473	476	31	39
Transportation and Communications	513	513	486	500	325	332	37	44
Water Resources and Sanitation	2279	1770	1694	1732	936	953	69	76
Private Sector Development	843	835	803	803	757	759	427	431
Admin Expense (USAID)	213	29	29	29	29	29	29	29
IRRF II SUBTOTAL	18439	17442	15540	15784	11492	11594	3549	3638
IRRF II CONSTRUCTION	11306	10378	9282	9590	6606	6712	1600	1690
IRRF II NON-CONSTRUCTION	6301	6232	5507	5443	4225	4221	1732	1727
IRRF II DEMOCRACY	832	832	751	751	661	661	217	221
IRRF I SUBTOTAL	2475	2475	2475	2475	2475	2475	2150	2150
GRAND TOTAL IRRF I & II	20914	19917	18015	18259	13967	14069	5699	5788

Data as of March 2, 2005

No data received from OPIC or USIP this week; changes driven by actions on obligations  
Data reported in millions USD

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## [5.0] Establish Good Governance, Rule of Law – Refugees, Democracy and Human Rights

### Good Governance:

- Staff from USAID's Local Governance Program in northern Iraq recently completed a five-day Institutional Audit and Strategic Planning Session with the Ministry of Municipalities in Arbil governorate. The session assisted the Ministry in generating its five-year plan using data that was collected over the past several months surveying how staff perceived the Ministry and its functions.
  - Survey questions focused on obtaining the staff's perspectives on the major strengths and weaknesses of the Ministry, its mission, threats to its mission, and how they envisioned the general public's perception of the Ministry. The individual 30-minute interviews allowed them to speak freely, confidentially, and without the influence of others.



## [5.0] Establish Good Governance, Rule of Law – Refugees, Democracy and Human Rights

### Reintegration of Internally Displaced Persons:

- Under its partnership with the UN High Commissioner for Refugees (UNHCR), the UN Office for Project Services (UNOPS) concluded four memoranda of agreements (MoAs) with providers of vocational trainings in the three Northern Governorates. The training assists small business start-ups and contributes to reintegration by targeting returnees and vulnerable members of the receiving communities. About 70 percent of the selected participants are women. The shelter assistance component of the project is now reaching an important milestone. The total planned number of housing units is approximately 2,700, targeting an equal number of returnee families.

### Protecting Human Rights:

- A human rights NGO in a northern Iraqi city was able to purchase essential office equipment and furniture with the help of a USAID Iraq Transition Initiative grant valued at \$14,500. The NGO, established in July 2004, helps citizens in the city obtain redress for a variety of injustices such as the loss of homes, disappeared relatives and wrongful arrests.



## [5.0] Establish Good Governance, Rule of Law – Refugees, Democracy and Human Rights

### Rule of Law:

- The Iraqi Special Tribunal (IST) began to process its first case this week. On February 28, the first five high-value detainees were referred to the trial chamber of the IST to face charges related to the 1982 massacre and destruction of the town of Ad-Dujayl. Charges and evidence dossiers were presented for Barzan Al-Tikriti (Saddam's half brother), Taha Ramadan Al-Jizrawi, Awad Al-S'adun, Abdullah Roweed and Mizhur Roweed, documenting their involvement in the summary detentions and executions and the razing of the village.
- On March 1, an IST judge and his son (a lawyer with the IST) were shot and killed outside their home in Baghdad. The assassinations of Barweez Muhammad Mahmoud al-Mirani and Aryan Mahmoud al-Merani were announced by officials of Iraq's Interior Ministry.





## [5.0] Establish Good Governance, Rule of Law –

### Rule of Law (cont'd):

- Iraqi Corrections Service (ICS) operates 17 facilities totaling 8,500 beds. Renovation and construction on an additional six facilities, totaling 6,000 beds, is underway. Despite these advances, the majority of facilities did not meet international penal standards, and overcrowding remains a problem.
- All of the ICS personnel were required to undergo training. An eight-week course including instruction in basic human rights, rights of women and children, trafficking in persons, prohibition against torture, international corrections standards, integrity issues, professional ethics, and code of conduct was mandatory for the 4,000 ICS correctional officers.
- Approximately 3,000 inmates were in pretrial detention, and 1,000 were held post-trial. Lengthy pretrial detention continued to be a significant problem due to backlogs in the judiciary and slow processing of criminal investigations.
- Judges maintained the TAL by appointing counsel for those who cannot pay, according to observers of the Central Criminal Court in Baghdad.



## [6.0] Maintain Int'l Engagement & Support – **Developments**

- Georgia sent 558 additional troops to Iraq on March 1 for a six-month deployment. Working with US forces, the Georgian unit will guard the UN office in Baghdad among other tasks.
  - Georgia has provided military support to Iraq since 2003 with an initial 70 servicemen. It increased its participation to 300 troops in 2004.



## [6.0] Maintain Int'l Engagement & Support – **Stability Contributors**

### **27** Countries with forces in Iraq (in addition to US)

Albania	El Salvador	Latvia	Poland
Armenia	Estonia	Lithuania	Portugal
Australia	Georgia	Macedonia	Romania
Azerbaijan	Italy	Moldova	Slovakia
Bulgaria	Japan	Mongolia	Ukraine
Czech Rep	Kazakhstan	Netherlands	UK
Denmark	Korea	Norway	

\*Note: Fiji participating as a part of the UN mission in Iraq

**TOTAL ~ 25,000 Forces**

**28 Countries and NATO**  
(including US)  
**Support Iraqi Stability Operations**



# Iraq Weekly Status – General Information

- This brief draws from multiple sources. References are cited on the respective pages in the “Notes Page” section (View → Notes Page).
- Please forward all questions and/or comments to (unclassified) [NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov) or (classified) [NEA-I-IPOG-DL@state.sgov.gov](mailto:NEA-I-IPOG-DL@state.sgov.gov)